



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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April 26, 2001

Lee Brown
Magnesium Corporation of America
238 North 2200 West
Salt Lake City, Utah 84116

Re: Request for Update to Existing Large Mine Operation Notice of Intention, Magnesium Corporation of America (MagCorp), Rowley Facilities (Stansbury Basin Facilities) M/045/008, Tooele County, Utah

Dear Mr. Brown:

This letter is a follow-up to the April 25, 2001, meeting at Division offices with Tony Rudman and Tom Tripp. Based on our review of the Division files and discussions during the April 25 meeting, we have determined that **MagCorp does not need to submit information to satisfy the requirements for a new Large Mining Operation Notice of Intention (LMO-NOI) as previously requested by the Division.**

The Stansbury pond system was included in the original Rowley large mine permit approved by the Division in 1979. The pond system was unofficially omitted from the mine permit when the bonds were replaced and the permit transferred in June 1990. The Stansbury pond system had been flooded by rising Great Salt Lake water levels in 1986. At the time of the 1990 permitting action, MagCorp was not operating the Stansbury pond system. The pond system was apparently being operated by another evaporative salt operation (AKZO Salt Company).

MagCorp restarted use of the Stansbury pond system in 1992 and has been utilizing those facilities since that date. Division files do not reference the omission and/or inclusion of the Stansbury Basin Solar Ponds between 1986 and 1992. To resolve this information gap and update the existing LMO-NOI for this operation, **the Division hereby requests MagCorp to provide the following items within 60 days of your receipt of this letter:**

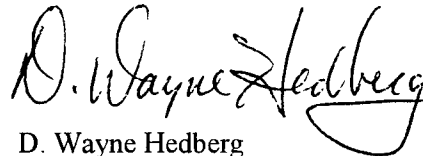
1. A current map of the Stansbury Basin Solar Pond system. This should be a large format, scaled map, showing all surface facilities associated with the pond system, both within the high water line of the Great Salt Lake, and on Stansbury Island.
2. Information describing the operations of the Stansbury facilities (if "Attachment D" received by the Division on April 23, 2001, does not fully describe all the features).
3. A description of the current surface disturbances, mining and reclamation activities associated with the oolitic sands removal.

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The Division will review the updated information in association with a detailed review of the reclamation surety estimate, which is long overdue. The current reclamation surety amount of \$15,278 is based on an estimate prepared by the Division in 1979 and escalated to 1984 dollars. Thank you for your prompt attention to our last letter. Please contact me at (801) 538-5286, or Tony Gallegos at 538-5267, if you have any questions with this request.

Sincerely,

A handwritten signature in black ink that reads "D. Wayne Hedberg". The signature is written in a cursive style with a large, stylized "H" and a long, sweeping underline.

D. Wayne Hedberg
Permit Supervisor
Minerals Reclamation Program

jb
cc: Tony J. Rudman, Counsel for MagCorp
Mary Ann Wright, Associate Director
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